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S.201

Introduced by Senator Ingram

Referred to Committee on

Date:

Subject: Taxation; statewide education property tax; renter rebate

Statement of purpose of bill as introduced: This bill proposes to modify the renter rebate program by allowing the benefit for any renter who has \$40,000.00 or less in federally adjusted gross income, rather than only allowing one claim per household with a household income of \$47,000.00 or less.

11 An act relating to modifying the renter rebate program

12 It is hereby enacted by the General Assembly of the State of Vermont:

13 Sec. 1. 32 V.S.A. § 6061(7) is amended to read:

14 (7) “Allocable rent” means for any housesite and for any taxable year
15 ~~21~~ 19 percent of the gross rent. “Gross rent” means the rent actually paid
16 during the taxable year by the individual ~~or other members of the household~~
17 solely for the right of occupancy of the housesite during the taxable year.

18 “Allocable rent” shall not include payments made under a written homesharing
19 agreement pursuant to a nonprofit homesharing program, or payments for a

1 room in a nursing home in any month for which Medicaid payments have been
2 made on behalf of the claimant to the nursing home for room charges.

3 Sec. 2. 32 V.S.A. § 6062(a) and (b) are amended to read:

4 (a) In the case of a renter credit claim based solely on allocable rent, the
5 claimant shall have rented property during the entire taxable year; provided,
6 however, that a claimant who owned a homestead ~~which~~ that was sold in the
7 taxable year prior to April 1 may file a renter credit claim. ~~If two or more~~
8 ~~individuals of a household are able to meet the qualifications for a claimant~~
9 ~~hereunder, they may determine among them who the claimant shall be. Any~~
10 ~~disagreement under this subsection shall be referred to the Commissioner and~~
11 ~~his or her decision shall be final.~~

12 (b) Only one claimant per household per year shall be entitled to relief
13 under subsection 6066(a) of this chapter, but for the purposes of renter credit
14 claims filed under subsection 6066(b), any individual in a household who
15 otherwise qualifies for a claim may make one.

16 Sec. 3. 32 V.S.A. § 6066(b) is amended to read:

17 (b) An eligible claimant who rented the homestead, whose ~~household~~
18 ~~income~~ federal adjusted gross income does not exceed ~~\$47,000.00~~ \$40,000.00,
19 ~~and who submits a certificate of allocable rent~~ shall be entitled to a credit
20 against the claimant's tax liability under chapter 151 of this title equal to the
21 amount by which the allocable rent upon the claimant's housesite exceeds a

1 percentage of the claimant's ~~household income~~ federal adjusted gross income
2 for the taxable year as follows:

3	If household income <u>federal</u>	then the taxpayer is entitled credit
4	<u>adjusted gross income</u> (rounded to	for allocable rent tax paid in excess
5	the nearest dollar) is:	of this percent of that income:
6	\$0 – 9,999.00	2.0
7	\$10,000.00 – 24,999.00	4.5
8	\$25,000.00 – 47,000.00 <u>\$40,000.00</u>	5.0

9 (i) In no event shall the credit exceed the amount of the
10 allocable rent.

11 (ii) If the credit calculated under this subsection is less than
12 \$100.00, then instead of the calculated amount, the amount of the credit shall
13 be \$100.00.

14 Sec. 4. 32 V.S.A. § 6067 is amended to read:

15 § 6067. CREDIT LIMITATIONS

16 Only one individual per household per taxable year shall be entitled to a
17 ~~benefit under this chapter~~ property tax adjustment under subsection 6066(a) of
18 this title, but for the purposes of renter credit claims filed under subsection
19 6066(b), any individual in a household who otherwise qualifies for a claim
20 may make one. An individual who received a homestead exemption or
21 adjustment with respect to property taxes assessed by another state for the

1 taxable year shall not be entitled to receive an adjustment under this chapter.
2 No taxpayer shall receive an adjustment under subsection 6066(b) of this title
3 in excess of ~~\$3,000.00~~ \$2,000.00. No taxpayer shall receive total adjustments
4 under this chapter in excess of \$8,000.00 related to any one property tax year.

5 Sec. 5. REPEAL

6 32 V.S.A. § 6069 (landlord certificates) is repealed.

7 Sec. 6. EFFECTIVE DATE

8 This act shall take effect on July 1, 2018, and apply to claims filed in 2019
9 for fiscal year 2020.